

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

AMERICAN INTERNATIONAL GROUP,
INC., *et al.*,

Plaintiffs,

v.

ACE INA HOLDINGS, INC., *et al.*,

Defendants.

LIBERTY MUTUAL INSURANCE CO., *et al.*,

Counter-Claimants,

v.

AMERICAN INTERNATIONAL GROUP,
INC., *et al.*,

Counter-defendants.

SAFECO INSURANCE COMPANY OF
AMERICA, *et al.*,

Plaintiffs,

v.

AMERICAN INTERNATIONAL GROUP,
INC., *et al.*,

Defendants.

No. 07 C 2898

Judge Robert W. Gettleman

Magistrate Judge Sidney I. Schenkier

✓ No. 09 C 2026

Judge Robert W. Gettleman

Magistrate Judge Sidney I. Schenkier

ORDER

This matter comes before the Court for status. For the reasons stated on the record, it is
hereby ordered:

1. **Supplemental scheduling order.** The Court today has entered a Supplemental Scheduling Order on Statistical Sampling of Policy and Underwriting Files from AIG's Other Divisions.

2. **AIG's production of contract files under the approved sampling plan for Divisions 55/51 and 50.** The parties discussed the pace of AIG's production of complete and partial files, as well as files that are linked to those files. The Court reiterated that AIG is required to complete the production of all sample files, and other files linked to them, by the deadline set forth in the approved sampling plan. In the next report that AIG serves on the status of its production – due September 3, 2010 – AIG shall report on the status of identifying and producing linked files.

3. **Production of documents for pilot sample of Liberty files.** The parties discussed errors and omissions in the premium and loss data that Liberty initially produced on a disk on March 17, 2010. Since that time, Liberty has identified and endeavored to correct a series of errors in the information on that disk. Most recently, Liberty discovered and disclosed that the disk omitted relevant premium and loss information. Liberty reported in open court that this error is in the process of being corrected, and that by September 21, 2010, the data should be in a form that is useable by AIG. However, these errors will require AIG and Liberty to work with Dr. Kadane to revise the pilot sample for Liberty files. At the next status hearing, the parties shall report to the Court on a revised time line for completing the pilot sample of Liberty files. The Court will shorten the time for Liberty to produce files for the pilot sample, in order to compensate for time lost as a result of the errors in the data produced by Liberty.

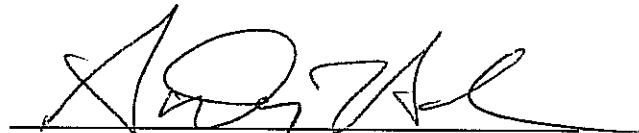
4. **Discovery of documents from AIG Divisions 54 and 82.** The Court denies without prejudice the request of Class Plaintiffs to compel AIG to produce for these divisions the

same categories of documents that AIG produced for Divisions 18, 50 and 55.

5. **Class Plaintiffs' motion for a finding of privilege waiver.** The Court rules that by disclosing in a sworn interrogatory answer that a 2005 investigation into workers compensation premium misreporting by AIG divisions other than 18, 50 and 55 did not result in findings of misreporting by those other divisions, AIG has waived privilege and work product protection into discovery concerning the results of that investigation.

6. **Next Status.** The matter is set for a joint status hearing with the district judge and the magistrate judge on September 23, 2010, at 1:00 p.m. The magistrate judge will convene a hearing as necessary after the joint session to address any discovery issues then pending.

ENTER:



SIDNEY I. SCHENKIER
United States Magistrate Judge

DATE: August 31, 2010